

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
OF THE STATE OF TENNESSEE AT NASHVILLE**

TENNESSEE SECURITIES DIVISION

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Petitioner,

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vs.

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File No.: 03-001

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ADVANCED ASSET TRADING, INC.

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Respondent.

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CONSENT ORDER

The Tennessee Securities Division [the “Division”], and Advanced Asset Trading, Inc. [“AATI”] agree to the entry of this Consent Order in accordance with T.C.A. §48-2-116 of the Tennessee Securities Act of 1980, as amended, T.C.A. §§48-2-101, et seq. [The “Act”], which states that the Commissioner from time to time may make such orders as are necessary to carry out the provisions of the Act.

FINDINGS OF FACT

1. The Tennessee Securities Act of 1980, as amended, T.C.A. §48-2-101, et seq. [the “Act”], places the responsibility for the administration of the Act on the Commissioner of Commerce and Insurance [“Commissioner”]. The Division is the lawful agent through which the Commissioner discharges this responsibility. T.C.A. § 48-2-115

2. Advanced Asset Trading, Inc. (CRD# 37044) maintains its business address at 5050 Poplar Ave., Suite 528, Memphis, Tennessee 38157. AATI is currently registered with the Division as a broker-dealer.

3. AATI was registered with the Division as an investment adviser from May 25,

1999 through December 31, 2000.

4. AATI filed an incomplete investment adviser registration application with the Division on February 20, 2001

5. Joseph Eberle, III (CRD# 1685607) ["Eberle"] has been associated with AATI since November 5, 1997 and currently serves as the president of the company. Eberle is also the majority shareholder of Strategic Asset Consulting, Inc. ["SAC"]

6. In or around April 2002, SAC acquired ownership of AATI. When conducting business as an investment adviser, AATI is known as SAC.

7. On or around January 3, 2003, AATI sought to re-register as a broker-dealer in Tennessee. At this time, the Division learned that AATI had been conducting business as an investment adviser in the state without being registered to do so.

8. In spite of not being registered with the Division to conduct business as an investment adviser, AATI has provided investment advisory services to six (6) clients during the period of time between April 2002 and the date of entry of this Order.

CONCLUSIONS OF LAW

9. Pursuant to Tennessee Code Annotated Section 48-2-115(a), the responsibility for the administration of the Act is upon the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility.

10. T.C.A 48-2-112(a)(2)(B) states, in pertinent part, that the Commissioner by order may deny, suspend, or revoke any registration under this part if he finds that the order is in the public interest, necessary for the protection of investors, and if he finds that the registrant, or in

the case of a broker-dealer or investment adviser, any officer, director, or any person occupying a similar status or performing similar functions has willfully failed to comply with any provision of this part or a predecessor chapter or any rule or order under this part or a predecessor chapter, including, without limitation, any net capital requirements.

T.C.A. § 48-2-109(c) states, in pertinent part, that it is unlawful for any person to transact business from or in this state as an investment adviser unless the person is registered as an investment adviser under this part or required to register as an investment adviser pursuant to § 203 of the Investment Advisers Act of 1940, or the person's only clients in this state are insurance companies.

12. The averments in paragraph 8 of this Consent Order, constitute acts by AATI that would provide grounds under T.C.A. § 48-2-112(a)(2)(B) for the entry of an order of sanctions against the investment adviser.

ORDER

NOW, THEREFORE, on the basis of the foregoing, and Advanced Asset Trading, Inc.'s waiver of its right to a hearing and appeal under the Tennessee Securities Act and Tennessee's Uniform Administrative Procedures Act, T.C.A. §§4-5-101 et seq., and the company's admission of jurisdiction of the Commissioner, the Commissioner finds that Advanced Asset Trading, Inc. for the purpose of settling this matter, admits the matters herein, has agreed to the entry of this Order and that the following Order is appropriate, in the public interest and necessary for the protection of investors.

IT IS ORDERED, pursuant to T.C.A. §48-2-116(a) of the Tennessee Securities Act that:

Advanced Asset Trading, Inc. shall fully comply with the Tennessee Securities Act, as amended, and all rules promulgated thereunder;

2. Advanced Asset Trading, Inc. shall be assessed a civil penalty in the amount of Three Thousand (\$3,000.00) dollars. Said civil penalty shall be paid by a check made payable to the Tennessee Department of Commerce and Insurance and mailed to the attention of:

**Broker-Dealer Registration Section
Tennessee Securities Division
500 James Robertson Parkway
Nashville, Tennessee 37243**

3. The pending investment adviser registration application shall be made effective by the Division upon the satisfaction of the obligations placed upon Advanced Asset Trading, Inc. by the entry of this Consent Order.

IT IS ORDERED that this Order represents the complete and final resolution of, and discharge with respect to all administrative and civil, claims, demands, actions and causes of action by the Commissioner against Advanced Asset Trading, Inc. for all violations of the Act alleged by the Tennessee Securities Division to have occurred because of the investment adviser's lack of registration during the period of time between April 2002 and the date of entry of this order.

This Consent Order is in the public interest and in the best interests of the parties, and represents a compromise and settlement of the controversy between the parties and is for settlement purposes only. By the signatures affixed below, Advanced Asset Trading, Inc. affirmatively state that it has freely agreed to the entry of this Consent Order, that it waives its right to a hearing on the matters underlying this Consent Order and to a review of the Findings of

Fact and Conclusions of Law contained herein, and that no threats or promises of any kind have been made by the Commissioner, the Division, or any agent or representative thereof. The parties, by signing this Consent Order, affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement set forth in this Consent Order, are binding upon them.

ENTERED this 29th day of April, 2003.

Paula A. Flowers

Paula A. Flowers, Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY:

Joseph Eberle

Joseph Eberle III, President
Advanced Asset Trading, Inc.

Daphne D. Smith

Daphne D. Smith, Assistant Commissioner
Tennessee Securities Division

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